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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/834,171	04/12/2001	Seth I. Merrin	22172-05507	2698

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[REDACTED] EXAMINER

KYLE, CHARLES R

[REDACTED] ART UNIT

[REDACTED] PAPER NUMBER

3624

DATE MAILED: 08/26/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Applicant No.</b>	<b>Applicant(s)</b>
	09/834,171	MERRIN ET AL.
	<b>Examiner</b>	<b>Art Unit</b>
	Charles R Kyle	3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) Responsive to communication(s) filed on 06 June 2003.
- 2a) This action is FINAL.                  2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) Claim(s) 1-37 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) Claim(s) \_\_\_\_\_ is/are allowed.
- 6) Claim(s) 1-37 is/are rejected.
- 7) Claim(s) \_\_\_\_\_ is/are objected to.
- 8) Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on \_\_\_\_\_ is/are: a) accepted or b) objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) The proposed drawing correction filed on \_\_\_\_\_ is: a) approved b) disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) The oath or declaration is objected to by the Examiner.

#### Priority under 35 U.S.C. §§ 119 and 120

- 13) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) All b) Some \* c) None of:
1. Certified copies of the priority documents have been received.
  2. Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) The translation of the foreign language provisional application has been received.
- 15) Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

#### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)                    | 4) <input checked="" type="checkbox"/> Interview Summary (PTO-413) Paper No(s). _____ . |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)           | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ . | 6) <input type="checkbox"/> Other: _____ .  |

## **DETAILED ACTION**

### ***Specification***

Applicant is correct that bracketed paragraph numbers are permitted in the Specification.

The objection to the disclosure is withdrawn.

### ***Oath/Declaration***

The objection to the Oath/Disclosure is withdrawn.

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

**Claims 1-37** are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

**Concerning Claims 1-8**, they recite that the invention is a system for performing electronic securities, yet no trading actually occurs in the Claims.

**As to Claims 1-37**, a vaguely worded reference to “non-binding indications for securities” has been added. It is unclear what constitutes the indications or how one would know the metes and bounds proscribed by this limitation. The Examiner assumes for the purpose of examination that Applicants intend such indications to address price and other terms of sale of securities for purpose of negotiation.

**As to Claims 23-30**, they also recite non-binding indications addressed above. Applicants have added phrasing in Claims 23-30 for increasing liquidity, which while a desirable

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goal, is not clearly set forth in the Claim to allow one of ordinary skill in securities arts to clearly understand how to achieve this goal.

***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

**Claims 1** are rejected under 35 U.S.C. 103(a) as being unpatentable over *Silverman et al* in view of *Millard et al..*

**As to Claim 1,** *Silverman* discloses the invention as claimed, including in a system for performing electronic securities trading (Abstract), the elements of:

An electronic trading marketplace for receiving orders for securities and for facilitating the trading of the securities (Col.1, line 45 to Col. 7, line 30; Fig. 1, ele. 114-116);

An interfacing module (Fig. 1, ele. 113) interfacing with an order management system database (Fig. 1, ele. 130), and in communication with the ETM for reading data records in the OMS database reflecting orders for securities (Col. 4, lines 12-24) for automatically providing information indicating the orders for securities to the ETM (Col. 4, line 25 to Col.5, line 2).

*Silverman* does not specifically disclose the orders are non-binding indications for the securities. *Millard* discloses such an indication at paragraph 334. It would have been obvious to

one of ordinary skill in the art at the time the invention was made to have modified *Silverman* by adding the feature of non-binding indications disclosed by *Millard* because this would have facilitated negotiation and trading flexibility as disclosed by *Millard* at paragraph 334, last three lines.

As to Applicants' claim language regarding automatically performing trading functions, to the extent that these automatic functions mimic traditionally manual functions, they are given little patentable weight. It is well settled that it is not "invention" to broadly provide a mechanical or automatic means to replace manual activity which has accomplished the same result. See *In re Venner*, CCPA, 120 USPQ 192.

**With respect to Claims 2 and 6,** *Silverman* discloses trade execution data records at Cols 11-12, "Execution Entry" item. See also *Millard* para. 220.

**With respect to Claim 3,** *Millard* discloses negotiation for trades at para. 350.

**As to Claim 4,** *Millard* discloses anonymous negotiation at para. 81.

**With respect to Claim 5,** *Millard* discloses authentication of traders to trade at paras. 161-164.

**With respect to Claim 6,** *Silverman* discloses a transaction history module at Cols 11-12, "Execution Entry" item.

**Regarding Claim 7,** *Silverman* discloses format conversion between OMS and ETM at Col. 5, lines 38-49

**As to Claim 8,** *Millard* discloses filtering of orders at paras. 57, 88 and 89.

**Concerning Claim 9**, see the discussion of Claim 1 above and *Millard* further discloses reading orders in a database at paras. 185 and 188. *Silverman* discloses such function at 10, lines 28-34.

**With respect to Claim 10**, *Silverman* discloses bi-directional transfer of order information as bi-directional arrows among elements at Fig. 1. Further it would have been obvious to provide such bi-directional communication to keep the ETM and OMS databases synchronized with respect to trading data.

**With respect to Claims 11 and 12**, see the discussions of the claims from which they depend and Claims 7 and 8 respectively.

**With respect to Claim 13**, *Silverman* discloses order quantity as a filter parameter at Col. 4, lines 29-41.

**Concerning Claims 14 and 15**, *Silverman* discloses updating of order information at Col. 4, lines 29-41.

**With respect to Claim 16**, see the discussion of Claims 1 and 3 and see *Silverman* at Fig. 1, element 113.

**Concerning Claim 17**, provision of a plurality of resources would be obvious because this would have made the system available to more users. Additionally, throughput of the OIMs would be faster if each OMS had a dedicated OIM. This is essential in securities trading where time is of the essence.

**With respect to Claim 18**, *Silverman* discloses an ETM indications module for transmitting orders to other traders (keyboard) who also use an EIM module (display) at Col. 3, line 56 to Col. 4, line 11. By definition, a module is a self-contained component that can

provide a complete function to a system and can be interchanged with other modules that provide similar functions.

**With respect to Claim 19**, see the discussion of Claims 18 and 8 above.

**With respect to Claim 20**, see the discussion of Claims 16 and 4 above.

**With respect to Claim 21**, see the discussion of Claims 16 and 5 above.

**With respect to Claim 22**, see the discussion of Claims 16 and 3 above.

**With respect to Claim 23**, see the discussion of Claim 1 above.

**With respect to Claim 24**, see the discussion of Claims 23.

**With respect to Claims 25 and 26**, see the discussion of Claim 7 above.

**With respect to Claim 27**, see the discussions of Claims 8 and 23 above.

**With respect to Claim 28**, see the discussion of Claims 27 and 13 above.

**With respect to Claim 29**, see the discussion of Claim 23 and 14 above.

**With respect to Claim 30**, see the discussion of Claims 29 and 15 above.

**As to Claims 31-37**, they are the computer-readable medium form of Claims 9-15 and are rejected in a like manner.

#### *Response to Arguments*

Applicant's arguments with respect to claims 1-37 have been considered but are moot in view of the new ground(s) of rejection.

***Conclusion***

Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Charles R Kyle whose telephone number is (703) 305-4458. The examiner can normally be reached on M-F 6:00-2:30.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (703) 308-1065. The fax phone numbers for the organization where this application or proceeding is assigned are (703) 872-9326 for regular communications and (703) 872-9327 for After Final communications.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is (703) 308-1113.

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August 20, 2003



**DR. GEOFFREY R. AKERS, P.E.**  
**PRIMARY EXAMINER**